

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION**

IN RE:	§	
	§	
DEEPROOT CAPITAL MANAGEMENT, LLC, ET AL. ¹ ,	§	BANKRUPTCY No. 21-51523
	§	
DEBTORS.	§	JOINTLY ADMINISTERED

**NOTICE OF FILING OF SUPPLEMENTAL EXHIBIT TO
APPLICATION OF TRUSTEE FOR AUTHORITY TO EMPLOY COUNSEL FOR SPECIAL PURPOSE
[RELATING TO ECF No. 314]**

PLEASE TAKE NOTICE that John Patrick Lowe, Trustee in these jointly administered Chapter 7 cases under lead case In re deeproot Capital Management, LLC et al. (“**Trustee**”), files this *Notice of Filing of Supplemental Exhibit to Application of Trustee for Authority to Employ Counsel for Special Purpose* pursuant to L. Rule 2014(b)(2).

Attached hereto as Supplemental Exhibit A-1 is a copy of the contract setting forth the terms of compensation and the FRBP 2016(b) disclosure of compensation, as required under L. Rule 2014(b)(2).

¹ The jointly administered chapter 7 cases, along with their respective case numbers and the last four digits of each Debtor's federal tax identification number, are: *In Re: Policy Services, Inc.*, 21-51513 (2864), *In Re: Wizard Mode Media, LLC*, 21-51514 (3205), *In Re: deeproot Pinball LLC*, 21-51515 (0320), *In Re: deeproot Growth Runs Deep Fund, LLC*, 21-51516 (8046), *In Re: deeproot 575 Fund, LLC*, 21-51517 (9404), *In Re: deeproot 3 Year Bonus Income Debenture Fund, LLC*, 21-51518 (7731), *In Re: deeproot Bonus Growth 5 Year Debenture Fund, LLC*, 21-51519 (9661), *In Re: deeproot Tech LLC*, 21-51520 (9043), *In Re: deeproot Funds LLC*, 21-51521 (9404), *In Re: deeproot Studios LLC*, 21-51522 (6283), and *In Re: deeproot Capital Management, LLC*, 21-51523 (2638), each a “**Bankruptcy Estate**” and collectively, “**Bankruptcy Estates**”. Each debtor entity is “**Debtor**” and collectively, “**Debtors**.”

Date: December 15, 2023

Respectfully submitted,

PULMAN, CAPPUCCIO & PULLEN, LLP
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**ATTORNEYS FOR JOHN PATRICK LOWE,
CHAPTER 7 TRUSTEE FOR THE JOINTLY
ADMINISTERED BANKRUPTCY ESTATES.**

CERTIFICATE OF SERVICE

I hereby certify that on the 15th day of December, 2023, a true and correct copy of the above and foregoing document has been transmitted via the Court's CM/ECF System to the following parties registered to receive electronic notice, as listed below:

Via Counsel CM/ECF:

catherine.curtis@wickphillips.com
jason.rudd@wickphillips.com

Policy Services, Inc.
deeproot Pinball, LLC
deeproot Growth Runs Deep Fund, LLC
deeproot 575 Fund, LLC
deeproot 3 Year Bonus Income Fund, LLC
deeproot BonusGrowth 5 Year Debenture Fund, LLC
deeproot Tech, LLC
deeproot Funds, LLC
deeproot Studios, LLC
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John Patrick Lowe
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Catherine A. Curtis/Jason M. Rudd
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Via CM/ECF:

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Texas Workforce Commission
c/o Christopher S. Murphy
TEXAS ATTORNEY GENERAL'S OFFICE
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Stephen J. Humeniuk
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Austin, TX 78701

And to the following party-in-interest via email:

Via email: Adam.nach@lane-nach.com

Adam Nach
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/s/Randall A. Pulman

Randall A. Pulman

**SUPPLEMENTAL
EXHIBIT A-1**

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December 13, 2023

John Patrick Lowe

Re: Legal Representation

Dear Mr. Lowe:

You requested that this firm, Lane & Nach, P.C. (the "Firm"), represent you as the Chapter 7 Trustee and the bankruptcy estate of Deeproot Capital Management, LLC, et al, Case #21-51523 ("Client") with regards to certain legal matters. This letter confirms the basis of our representation of Client and the fee agreement with respect to the representation.

1. **Scope of Engagement. The scope of the engagement will be the representation of Client as Special Counsel in the bankruptcy case of Deeproot Capital Management, LLC, et al, Case #21-51523 in regards to the collection of default judgments outside the state of Texas arising from the following adversaries:**

- a. *Lowe v. Shantell Wright*, Adv. No. 23-05018 (Tennessee)
- b. *Lowe v. George Villa*, Adv. No. 22-05094 (Illinois)
- c. *Lowe v. Purpose Driven Financial Services, Inc. et al.*, Adv. No. 22-05091 (North Carolina)
- d. *Lowe v. McNamara Capital Investment Group, LLC et al.*, Adv. No. 22-05087 (Illinois)
- e. *Lowe v. Randy Seymour*, Adv. No. 23-05013 (Tennessee)
- f. *Lowe v. John Vizey*, Adv. No. 23-05010 (California)
- g. *Lowe v. GM Consultants Group, Inc. et al.*, Adv. No. 23-05007 (Nevada)
- h. *Lowe v. Gregory Patrick Talbot*, Adv. No. 23-05025 (Arizona)
- i. *Lowe v. Steven Fortier*, Adv. No. 23-05019 (California)

The Employment and Fees and Costs are subject to Bankruptcy Court order.

I will have primary responsibility for the representation and will utilize other attorneys and non-attorney professionals in the office, as necessary, in the best exercise of my professional judgment. If, at any time, you have any questions, concerns or criticisms about who is working on this matter or the service you are receiving, please telephone me at once.

*CERTIFIED SPECIALIST, BANKRUPTCY LAW, ARIZONA BOARD OF LEGAL SPECIALIZATION
*ALSO LICENSED IN CALIFORNIA *ALSO LICENSED IN ILLINOIS AND WISCONSIN *OF COUNSEL
*CERTIFIED SPECIALIST, REAL ESTATE LAW, ARIZONA BOARD OF LEGAL SPECIALIZATION
†ALSO LICENSED IN CALIFORNIA AND DISTRICT OF COLUMBIA **ALSO LICENSED IN NEW MEXICO

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December 13, 2023

2. **Progress.** As with any professional relationship, close cooperation and frequent communication between us will improve our ability to be of assistance and to complete our task. To that end, we will want to discuss the progress of this matter regularly with Client. In addition, it is our practice to forward to our clients copies of significant correspondence, filings, etc., so you may keep track of the matter's progress. If you have questions or concerns as we go along, please bring them up promptly so that they may be addressed right away.

3. **Policies and Procedures on Fees and Costs.** The Rules of Professional Conduct governing the legal profession require that a lawyer's fee be reasonable and they set forth the following factors to be included in considering the reasonableness of a fee:

- (1) time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly;
- (2) the likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the lawyer;
- (3) the fee customarily charged in the locality for similar legal services;
- (4) the amount involved and the results obtained;
- (5) the time limitations imposed by the client or by the circumstances;
- (6) the nature and length of the professional relationship with the client;
- (7) the experience, reputation, and ability of the lawyer or lawyers performing the services; and
- (8) whether the fee is fixed or contingent.

Having those considerations in mind, the following sets forth our agreement with respect to fees and expenses in this matter, the payment of disbursement items, the timing and content of billing statements, and the expected payment period.

4. **Fees.** We will undertake this representation on a contingency basis and Client shall pay, subject to Bankruptcy Court approval of our Firm fee application after notice and opportunity for hearing, thirty-three and one-third percent (33 ⅓%) ("Contingency Fee") of the gross amount recovered by Lane & Nach, P.C. on behalf of the Client.

5. **Costs and Expenses.** During the course of this engagement, Lane & Nach, P.C. will advance funds on Client's behalf for costs and other disbursements for outside services. It is generally easier for us to do this on minor items rather than to ask Client to pay a succession of small invoices. Since Client will be remitting payment for incurred costs and expenses upon approval of such billings by an order entered by the Bankruptcy Court, whether on an interim or final basis, we expect to make advances for such invoices that do not exceed \$100. Those advances, plus the Firm's charges for long-distance telephone calls, on-line database retrieval charges (i.e., Lexis, Westlaw, CompuServe, Dialogue), etc., will be reimbursed subject to Bankruptcy Court approval.

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6. **Annual Increases.** To account for inflation, unless the parties otherwise agree in writing, the Firm shall have the right to increase the stated hourly rates of each category of lawyer or other professional referenced above on January 1 of each calendar year, subject to Bankruptcy Court order.

7. **Advanced Costs.** This Firm's policy is to require an advanced cost from clients prior to beginning work on their behalf. Trustee has agreed to an advanced cost of \$5,000.00 as an advanced fee for out-of-pocket expenses, subject to Bankruptcy Court approval. Special Counsel will account to the Trustee for the expenditure of the retainer on a case-by-case basis when the Final Applications are filed.

8. **Payment of Invoices.** All invoices are due upon receipt by Client of sufficient funds by the bankruptcy estate and approval of such invoices by an order entered by the Bankruptcy Court, whether on an interim or final basis. All invoices are subject to Bankruptcy Court approval. Subject, of course, to our ethical and professional obligations, Client agrees that the Firm may terminate its legal services and withdraw from this engagement in such event. Undisputed amounts due may be deducted from any litigation or settlement proceeds belonging to Client that come into the Firm's possession but may not be applied to any invoices without first obtaining Bankruptcy Court approval, whether on an interim or final basis.

9. **Cooperation by Client.** Client agrees to cooperate with the Firm in our representation by complying on a timely basis with all reasonable requests for information and assistance in connection with our representation. Client agrees to truthfully inform the Firm of all facts and information related to the representation and scope of engagement.

10. **Disposition of Documents.** Any documents, materials, or other items provided to the Firm shall become the property of the Firm, unless we receive written notice to the contrary. We shall have the right to maintain our file for Client in an electronic format rather than a paper format and to destroy any paper file that we may have for Client. We shall have no obligation to turn over to Client any documents and materials, except for copies made at Client's request and expense and original documents which Client requests in writing upon termination of the representation. If we receive no such request from client, and the documents and materials are not returned to you, the documents and materials will be destroyed at such time as the file itself is destroyed in accordance with our document retention policy. Currently, it is our policy to destroy files after they have been closed for more than two (2) years. We will deem your acknowledgment of our engagement as an assent to the handling of your documents in this respect.

11. **Confidentiality/Email Communication.** The Firm agrees that any information provided to the Firm in connection with the Firm representing the Client and which is not otherwise public knowledge constitutes confidential information, which the Firm will not disclose or make independent use of without Client's written consent except (i) to Client's employees or (ii) as otherwise required by law or regulation. By signing this Agreement, Client agrees and acknowledges that the Firm may transact business by unencrypted e-mail and the Firm maintains reasonable security measures to assure confidentiality of your information. While the Firm makes every effort to safeguard confidential information, it may be that certain technologies exist that would allow third-parties access to unencrypted e-mail between Client and the Firm. Client hereby acknowledges that others may be able to intercept and view the e-mail. By signing this Agreement, Client agrees not to hold the Firm liable for breach of confidentiality that occurs because of interception of any e-mail by a third party. This Section will survive a termination of the Firm representing the Client.

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December 13, 2023

12. **Use of Client's Name.** Client hereby authorizes us to use Client's name on a list of clients this Firm represents in connection with any professional business matters of this Firm. Client's name will not be used for any other purpose.

13. **Termination of Engagement and Post-Engagement Matters.** Either of us may terminate the engagement at any time for any reason by written notice, subject on our part to applicable rules of professional conduct. In the event that the Firm terminates the engagement, we will take such steps as reasonably practicable to protect Client's interests in this matter and, if Client so requests, we will suggest to Client possible successor counsel and provide successor counsel of Client's choosing with whatever papers Client has provided to us. Unless previously terminated, our representation of Client will terminate upon our sending our final statement for services rendered. Unless otherwise specified in this letter, Client is engaging the Firm to provide legal services in connection with a specific matter. After completion of the matter, changes may occur in laws or regulations that are applicable to Client that could have an impact upon your future rights and liabilities. Unless Client continues to engage us to provide additional advice, the Firm will assume that it has no continuing obligation to advise Client with respect to future legal developments.

14. **Disputes.** Any controversy, dispute, or question arising out of, in connection with, or in relation to this Agreement or its interpretation, performance or nonperformance, or any breach thereof, shall be determined by the Bankruptcy Court.

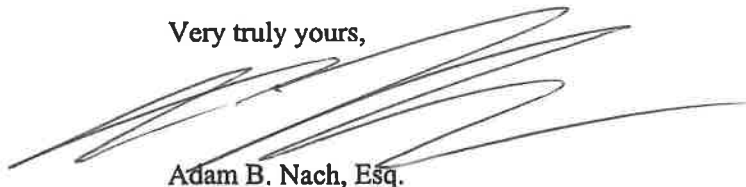
15. **Notice to You.** The Firm requires that you provide an address at which the Firm may transmit pertinent information, documents and for billing purposes. You agree that anything sent to you from the Firm may be sent to the address specified below, as may be updated by You in writing.

16. **No Advice Regarding This Fee Agreement.** The Firm is not acting as your counsel in advising Client with respect to this letter, as we would have a conflict of interest in doing so. If Client wishes to be advised by independent counsel on the question of whether Client should be so represented, we recommend that you consult with independent counsel. In addition, if you have any questions or would like additional information, we would be happy to discuss this matter with you. Additionally, it is a conflict of interest for the Firm to advise one of you of your rights with regards to the other.

If the above is consistent with your understanding regarding my representation, please execute a copy of this letter and return it to me at your earliest convenience. Should you have any questions, please do not hesitate to contact us.

We appreciate the opportunity to represent you in this matter. We cannot and do not warrant or predict results or final developments. Be assured that it is my desire to afford you conscientious, faithful and diligent services, seeking at all times to achieve solutions that are reasonable for you.

Very truly yours,



Adam B. Nach, Esq.

LAW OFFICES
LANE & NACH, P.C.

December 13, 2023

ACCEPTED AND AGREED:

By: 
John Patrick Lowe, Trustee for the Bankruptcy Estate of Deeproot Capital Management, LLC, Case
#21-51523, et al.

Dated: 
